COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BIG SANDY)			
RURAL ELECTRIC COOPERATIVE)			
CORPORATION FOR AN ADJUST-)	CASE	NO.	94-463
MENT TO ITS RETAIL ELECTRIC)			
POWER TARIFFS)			

ORDER

On December 2, 1994, Big Sandy Rural Electric Cooperative Corporation ("Big Sandy") filed an application to reduce its rates for retail electric service on January 1, 1995. In a motion dated December 16, 1994, Big Sandy has asked to amend its application and make its reduced rates effective December 31, 1994. The rate reduction is intended to pass on to its customers the proposed decrease in power costs from Big Sandy's wholesale power supplier, East Kentucky Power Cooperative, Inc. ("East Kentucky"). The Commission has permitted East Kentucky's proposed rates to become effective on January 1, 1995, subject to further modification after investigation by the Commission.

Based on the limited nature of its application, Big Sandy requests a waiver of the following filing requirements for general rate applications included in 807 KAR 5:001, Section 10: Subsections (6)(b), (6)(h), (6)(i), (6)(j), (6)(k), (6)(n), (6)(r), and (6)(u). Good cause having been shown for the requested

Case No. 94-336, Application of East Kentucky Power Cooperative, Inc. to Adjust Electric Rates, Orders dated December 2 and December 16, 1994.

waivers, the Commission will grant Big Sandy's request with the exception of Sub-section (6)(b) which requires the filing of prepared testimony. The fact that Big Sandy's application is based on a standard package developed by East Kentucky is not sufficient grounds to waive this requirement, particularly when Big Sandy is the only East Kentucky member cooperative to request such waiver.

Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that Big Sandy's motion to amend its application and make its proposed rates effective December 31, 1994 is reasonable and should be approved. An investigation will be necessary to determine the reasonableness of the proposed rates and such investigation cannot be concluded by December 31, 1994. Big Sandy's proposed rates should be suspended until January 1, 1995, to coincide with the effective date of East Kentucky's proposed rates.

IT IS THEREFORE ORDERED that:

- 1. Big Sandy's application is hereby amended to make its proposed rates effective December 31, 1994.
- 2. The rates and charges proposed by Big Sandy be and they hereby are suspended for one day to become effective on January 1, 1995 subject to further modification by the Commission.
- 3. Big Sandy be and it hereby is granted a waiver from the general rate case filing requirements enumerated above with the exception of 807 KAR 5:001, Section 10(6)(b). Big Sandy shall comply with this requirement by filing its prepared testimony within 7 days from the date of this Order.

Done at Frankfort, Kentucky, this 20th day of December, 1994.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Executive Director